

**REVENUE DEPARTMENT[701]**

**Adopted and Filed**

Pursuant to the authority of Iowa Code sections 421.14 and 422.68, the Department of Revenue hereby adopts amendments to Chapter 5, “Public Records and Fair Information Practices,” Chapter 7, “Practice and Procedure Before the Department of Revenue,” Chapter 8, “Forms and Communications,” Chapter 10, “Interest, Penalty, Exceptions to Penalty, and Jeopardy Assessments,” Chapter 42, “Adjustments to Computed Tax and Tax Credits,” Chapter 52, “Filing Returns, Payment of Tax, Penalty and Interest, and Tax Credits,” Chapter 86, “Inheritance Tax,” Chapter 87, “Iowa Estate Tax,” Chapter 88, “Generation Skipping Transfer Tax,” and Chapter 89, “Fiduciary Income Tax,” Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXXVI, No. 24, p. 2217, on May 28, 2014, as **ARC 1469C**.

Items 1 through 7, 14 through 29, and 33 amend various rules and subrules to eliminate references to the Iowa estate tax and generation skipping transfer tax related to the repeal of these taxes in 2014 Iowa Acts, House File 2435, applicability for which is set forth in Items 30, 31 and 32.

Items 8 and 9 amend paragraph 42.11(3)“d” and the implementation sentence for rule 701—42.11(15,422) to update the date for which Iowa is coupled with federal changes to the credit for increasing research activities, which is the basis for the Iowa credit for increasing research activities for Iowa individual income tax.

Items 10, 11, 12 and 13 amend paragraphs 52.7(3)“d,” 52.7(5)“d,” and 52.7(6)“d” and the implementation sentence for rule 701—52.7(422) to update the date for which Iowa is coupled with federal changes to the credit for increasing research activities, which is the basis for the Iowa credit for increasing research activities for Iowa corporation income tax. This change is similar to the change in Items 8 and 9.

Items 30 and 31 amend subrule 87.1(1) and rule 701—87.6(451) to state that the Iowa estate tax only applies for deaths occurring prior to January 1, 2005.

Item 32 amends 701—Chapter 88 by adding new rule 701—88.7(421) to state that the generation skipping transfer tax only applies for deaths occurring prior to January 1, 2005.

These amendments are identical to those published under Notice of Intended Action.

After analysis and review of this rule making, no adverse impact on jobs has been found.

These amendments are intended to implement Iowa Code sections 15.335, 422.3, 422.10, 422.32 and 422.33 as amended by 2014 Iowa Acts, House File 2435, and 2014 Iowa Acts, House File 2435, section 25.

These amendments will become effective August 27, 2014, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

EDITOR’S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [amendments to Chs 5, 7, 8, 10, 42, 52, 86 to 89] is being omitted. These amendments are identical to those published under Notice as **ARC 1469C**, IAB 5/28/14.

[Filed 7/2/14, effective 8/27/14]

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[For replacement pages for IAC, see IAC Supplement 7/23/14.]